



FULL HOUSE  
RESORTS

August 2019



# Forward-looking Statements & Regulation G

This presentation may contain statements that are "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements are neither historical facts nor assurances of future performance. Forward-looking statements include those regarding operating trends, future results of operations, and the timing and completion of the Company's construction and growth projects. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of the control of Full House. Additional information concerning potential factors that could affect Full House's financial condition and results of operations is included in the reports Full House files with the Securities and Exchange Commission, including, but not limited to, its Form 10-K for the most recently ended fiscal year and the Company's other periodic reports filed with the Securities and Exchange Commission. The Company is under no obligation to (and expressly disclaims any such obligation to) update or revise its forward-looking statements as a result of new information, future events or otherwise. Actual results may differ materially from those indicated in the forward-looking statements.

This presentation also includes non-GAAP financial measures as defined in the Securities and Exchange Commission's Regulation G. A reconciliation of these non-GAAP financial measures to the most directly comparable GAAP measures is available on our website at [www.fullhouserestorts.com](http://www.fullhouserestorts.com) in the earnings release for the applicable periods.

The Company utilizes Adjusted Property EBITDA as the measure of segment profit in assessing performance and allocating resources at the reportable segment level. Adjusted Property EBITDA is defined as earnings before interest and other non-operating income (expense), taxes, depreciation and amortization, preopening expenses, impairment charges, asset write-offs, recoveries, gain (loss) from asset disposals, project development and acquisition costs, non-cash share-based compensation expense, and corporate-related costs and expenses that are not allocated to each property. The Company also utilizes Adjusted EBITDA, which is defined as Adjusted Property EBITDA net of corporate-related costs and expenses. Although Adjusted Property EBITDA and Adjusted EBITDA are not measures of performance or liquidity calculated in accordance with generally accepted accounting principles ("GAAP"), the Company believes these non-GAAP financial measures provide meaningful supplemental information regarding our performance and liquidity. The Company utilizes these metrics or measures internally to focus management on year-over-year changes in core operating performance, which it considers its ordinary, ongoing and customary operations and which it believes is useful information to investors. Accordingly, management excludes certain items when analyzing core operating performance, such as the items mentioned above, that management believes are not reflective of ordinary, ongoing and customary operations. A version of Adjusted EBITDA (known as Consolidated EBITDA, as defined in the indenture governing the Company's senior secured notes) is also used to determine compliance with certain covenants.

In addition, because Adjusted EBITDA is not calculated in accordance with GAAP, it may not necessarily be comparable to similarly titled measures employed by other companies. You should not consider this measure in isolation or as a substitute for operating income, cash flows from operating activities, or any other measure for determining our operating performance or liquidity that is calculated in accordance with GAAP. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating Adjusted EBITDA, you should be aware that, in the future, we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

- Located near Bay St. Louis, Mississippi, Silver Slipper continues to benefit from recent property improvements:
  - 129-guestroom hotel in late-2016
  - Beach Club and ingress improvements in mid-2017
  - Oyster Bar in mid-2017
  - Sports wagering area in August 2018
  - Casino and buffet renovation in May 2019

# Silver Slipper: Beach Club and Improved Arrival



# Silver Slipper: Oyster Bar

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# Silver Slipper: Sports Wagering Area

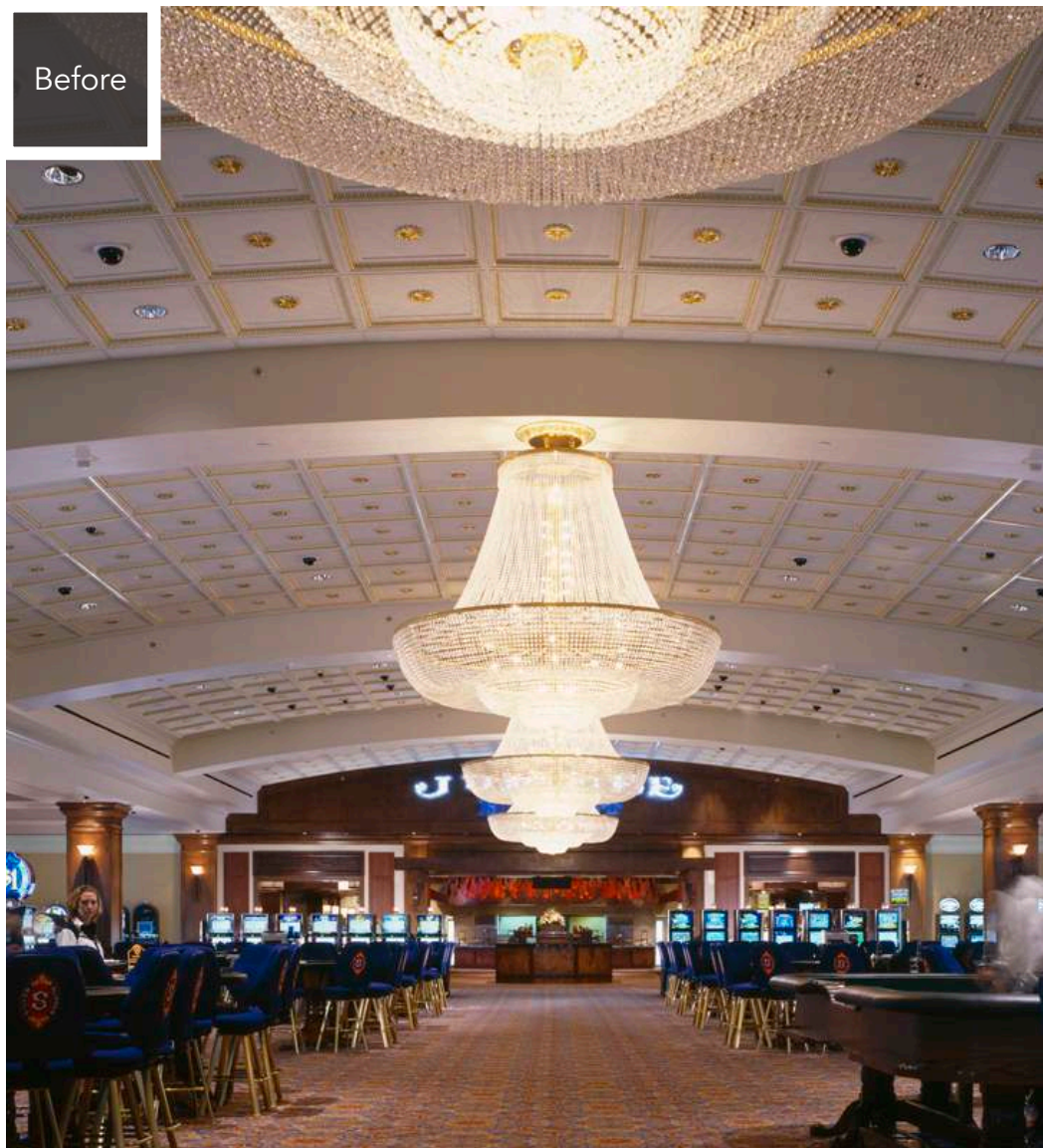
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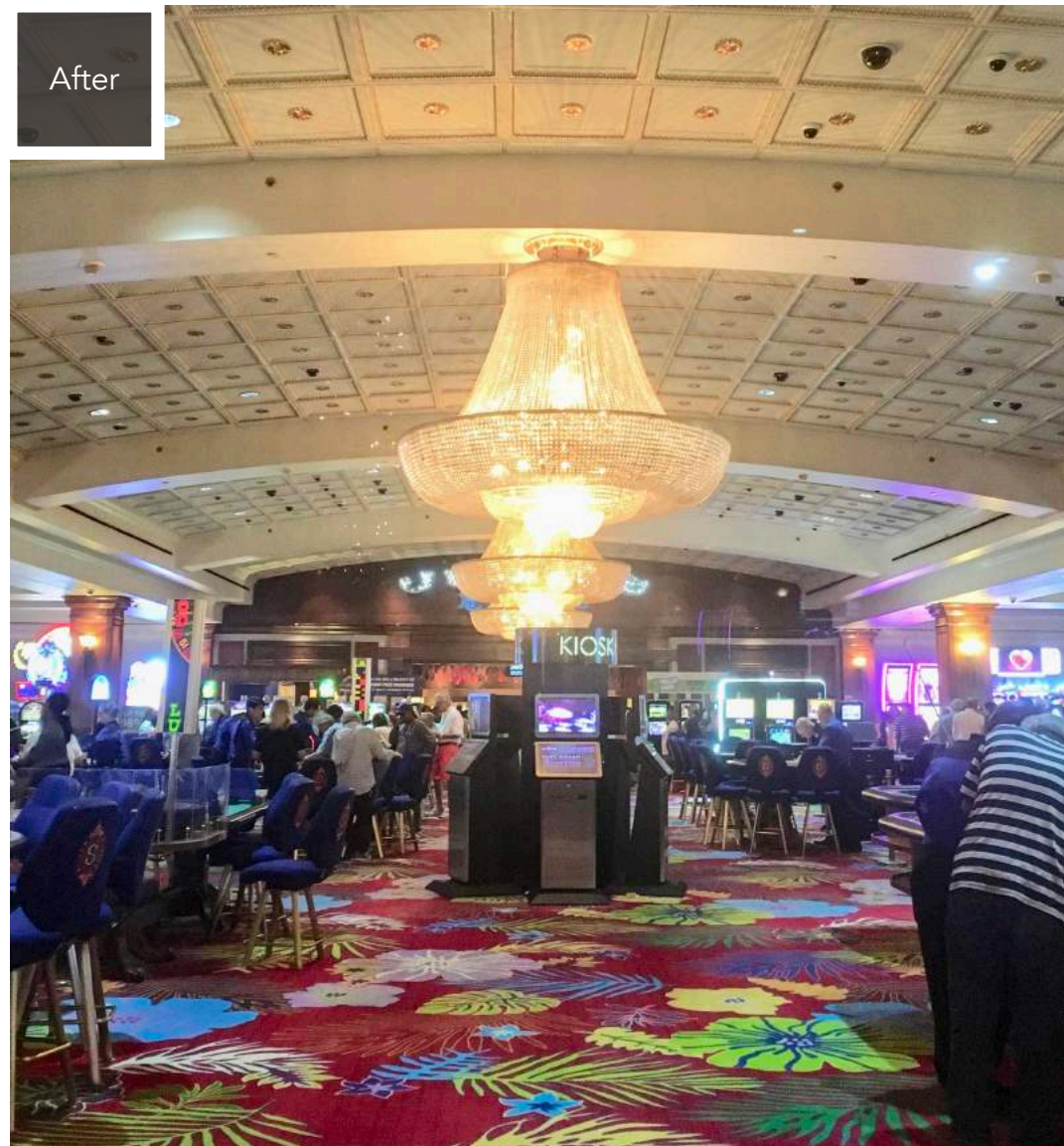
# Silver Slipper: Casino Renovation

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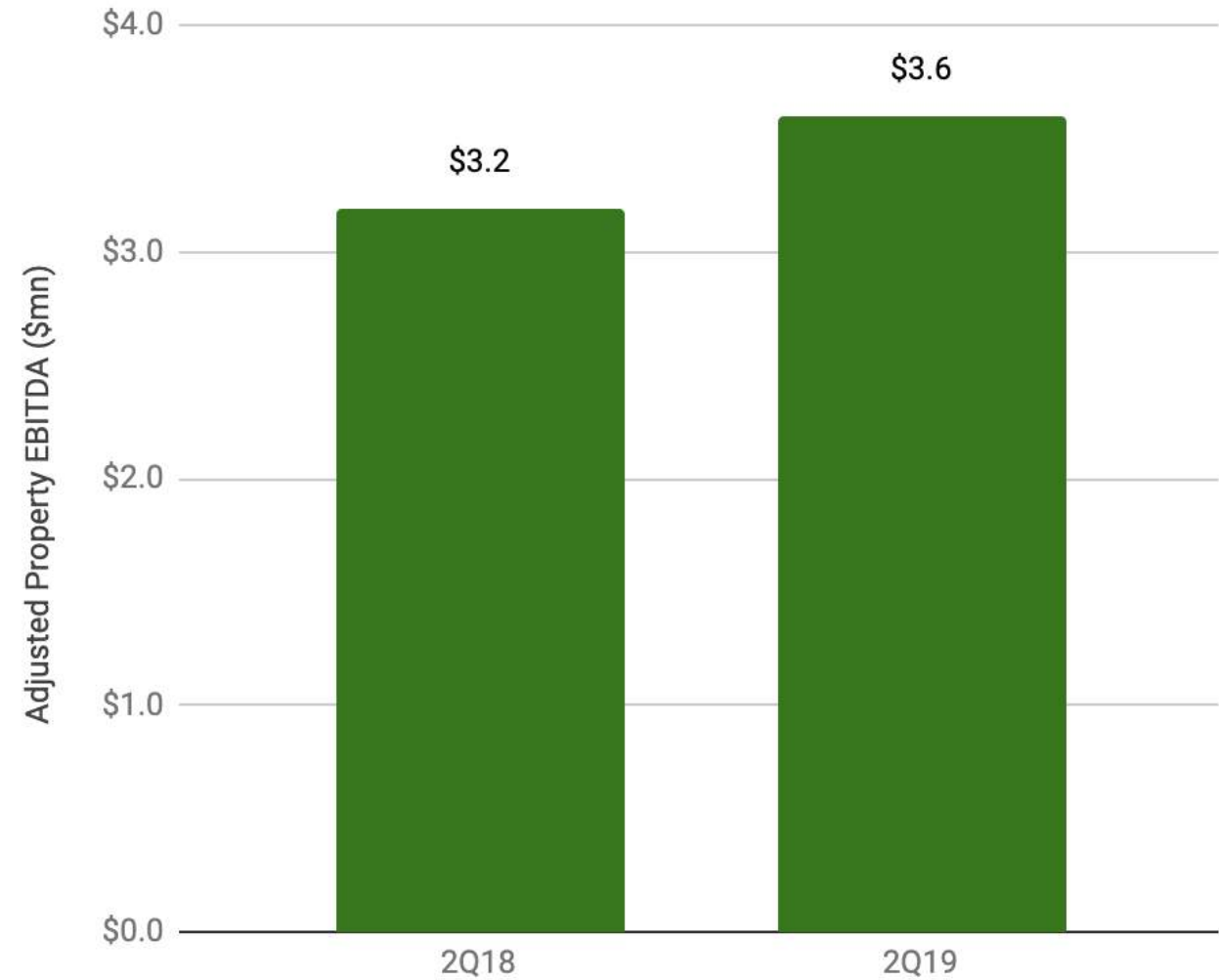
Before



After



- Reflects recent investments and addition of sports betting



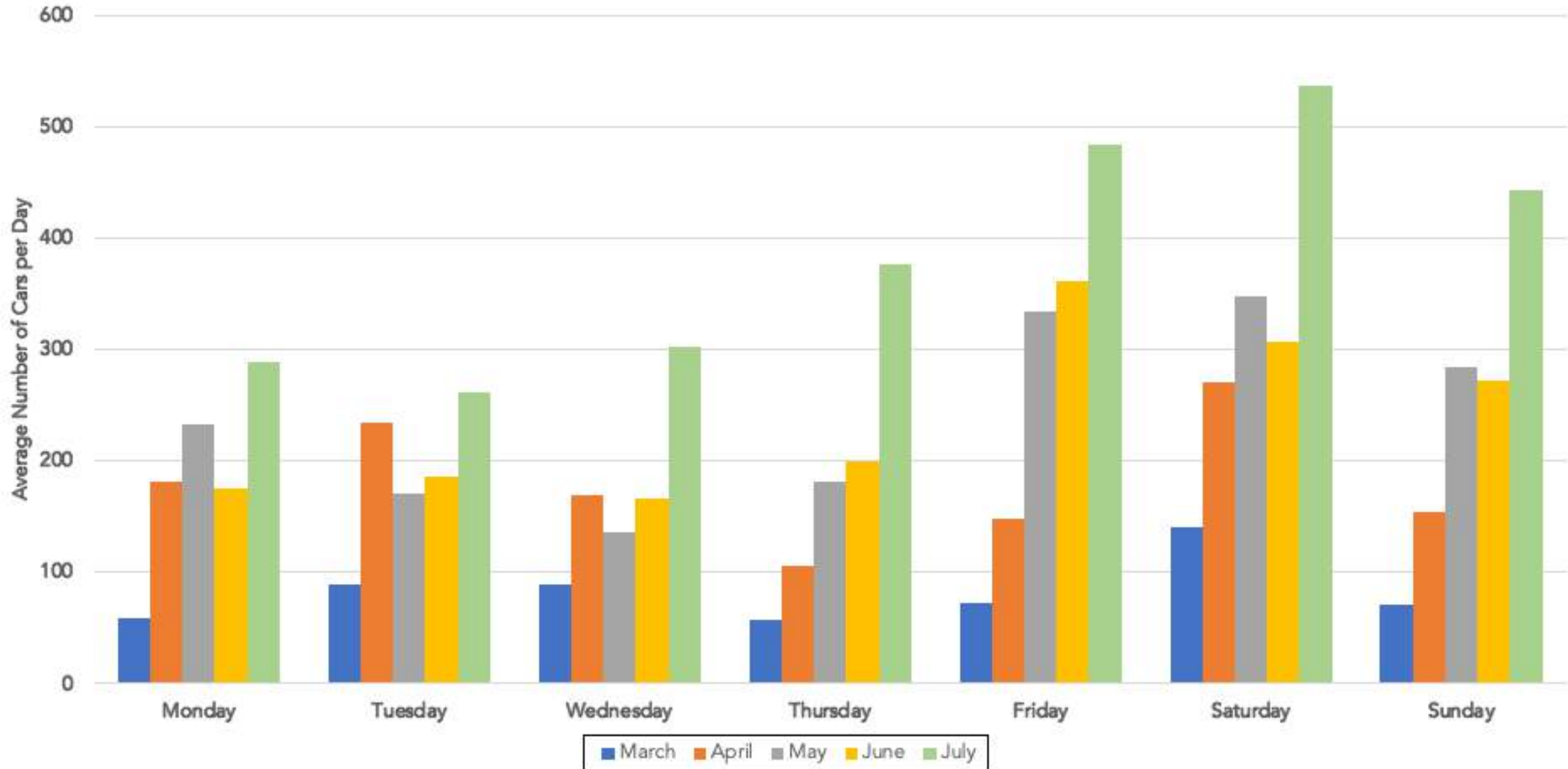
- Located near Cincinnati, Ohio, Rising Star has also seen several capital improvements and recently went through management changes
  - RV Park opened in mid-2017
  - Pavilion and hotel lobby improvements in mid-2018
  - Ferry service began operations in 3Q18
  - Preparing for opening of Ben's Bistro in the coming weeks



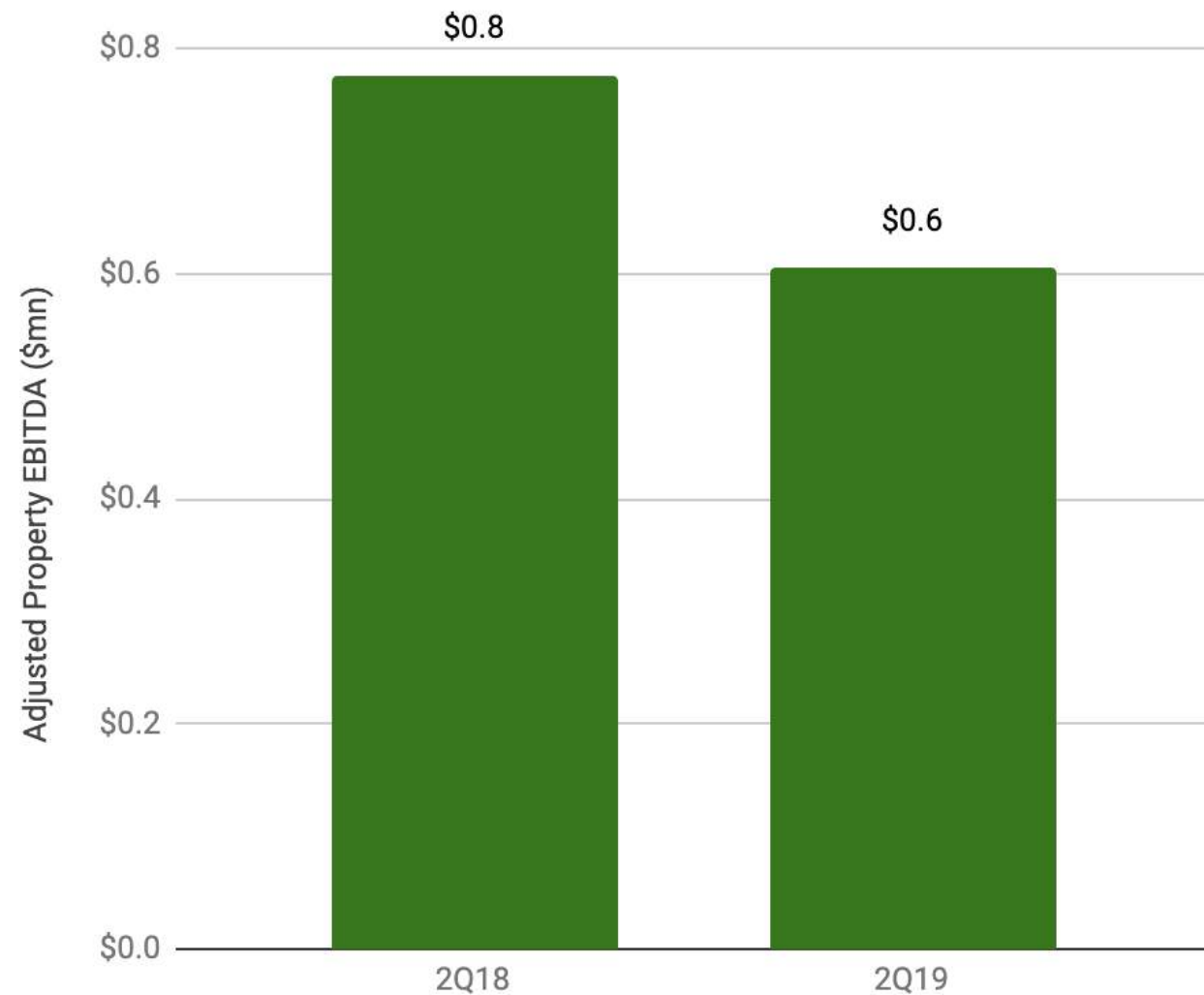
# Rising Star: Ferry Service



# Rising Star: Ferry Ridership Continues to Improve



- Reflects continued road construction and management transition costs







- On-site sportsbook is expected to open in the fall
  - Our sportsbook partner has unique expertise in sports book operations
  - Sportsbook will replace the existing Big Vic's Pub & Grub within the land pavilion, and is also expected to include approximately 20 slot machines
- Mobile sports wagering from anywhere in Indiana is expected to follow in the coming months
  - Three "skins" are allowed per casino license
- New slot system also expected to be installed in the fall, replacing a 17-year old system

- Located near Colorado Springs, Colorado, Bronco Billy's is undergoing an expansion and recently went through management changes
  - Crippled Cow opened in July 2017
  - Christmas Casino opened in November 2018
  - Phase One's parking garage is currently under construction
  - Phase Two – a significant expansion that includes a luxury hotel, spa, convention and entertainment center, two new restaurants, and an upgrade to the existing casino – is expected to begin construction upon the conclusion of Phase One, pending completion of financing
- Sports wagering was recently legalized in the legislature, subject to approval in a statewide vote
  - We are currently preparing for an on-site sportsbook at Bronco Billy's and three mobile "skins"
  - Sports book operations could begin in mid-2020
- New slot system expected to be installed in the fall

# Bronco Billy's: Crippled Cow

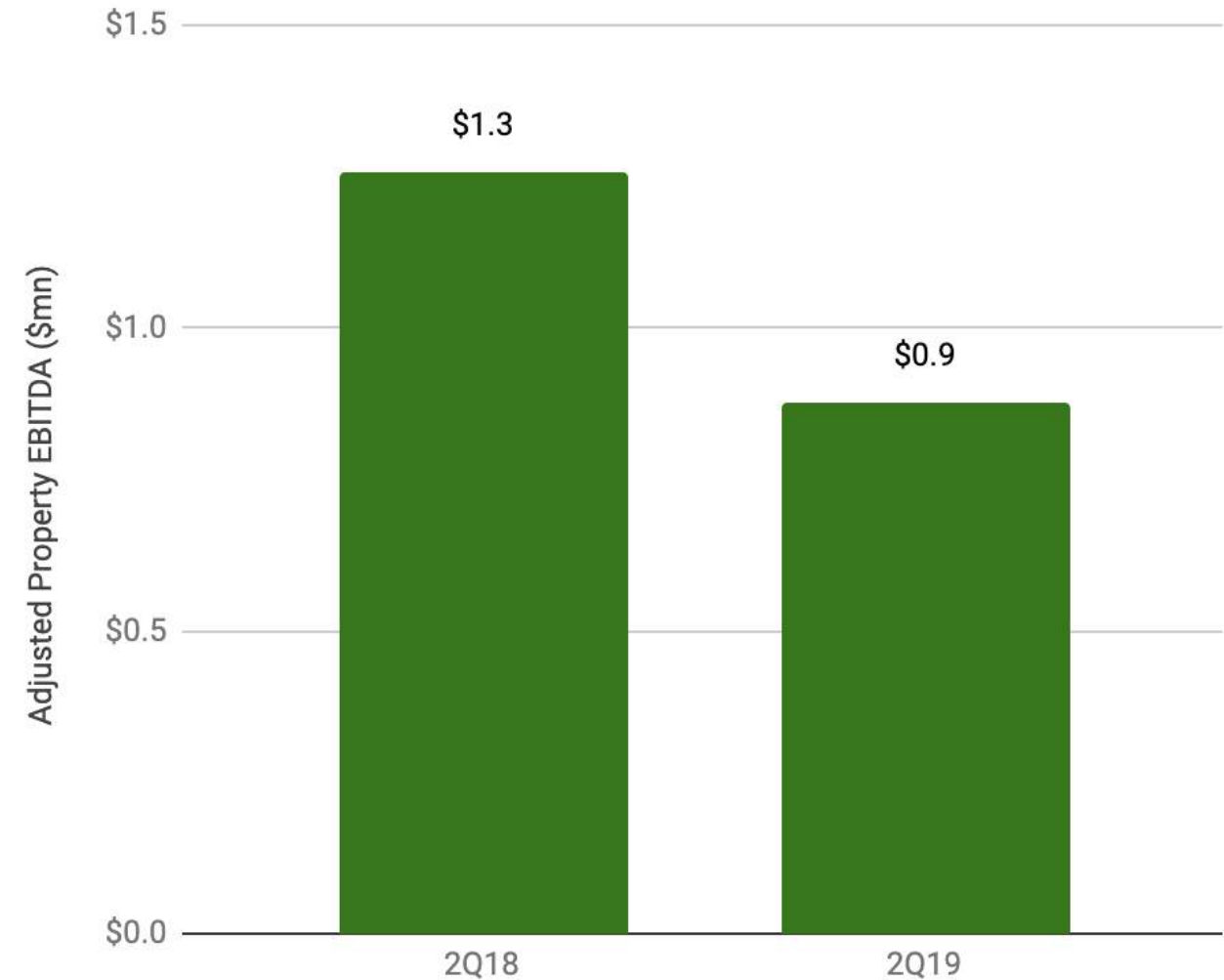
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# Bronco Billy's: Christmas Casino



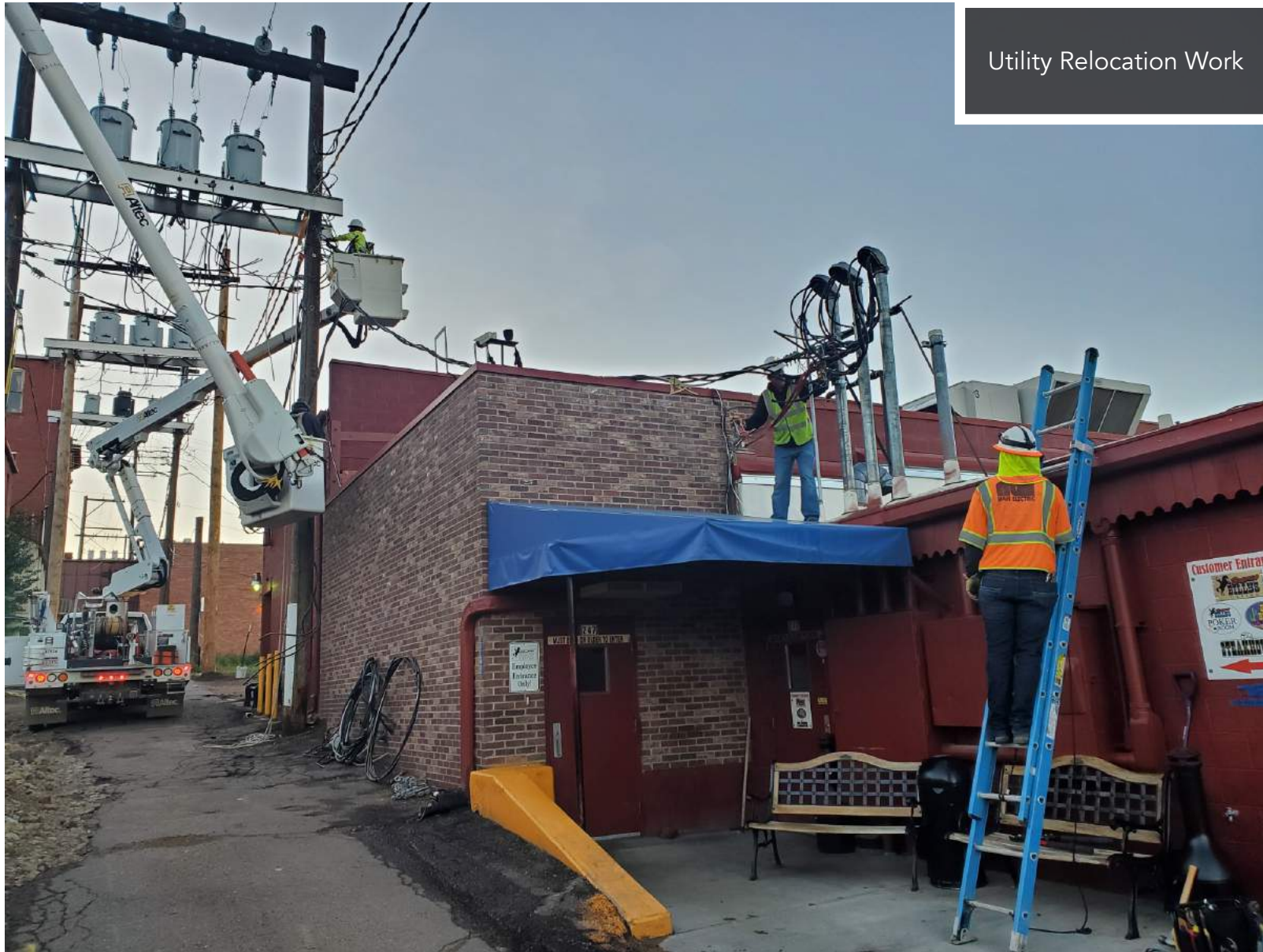
- Reflects management transition costs and additional costs for the Christmas Casino facility; marketing changes began in July



# Bronco Billy's: Parking Garage Construction

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Utility Relocation Work



# Bronco Billy's: Phase Two Expansion

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02 / PORTE-COCHERE



- Grand Lodge Casino underwent a significant \$5 million renovation in mid-2017, principally funded by Hyatt
  - Also extended the lease expiration date to August 2023
- Stockman's Casino underwent numerous improvements in 2017 and 2018, including:
  - Improved visibility from the main street
  - Digital readerboard
  - New landscaping, porte cochere, and other ingress improvements

# Grand Lodge: Casino Renovation

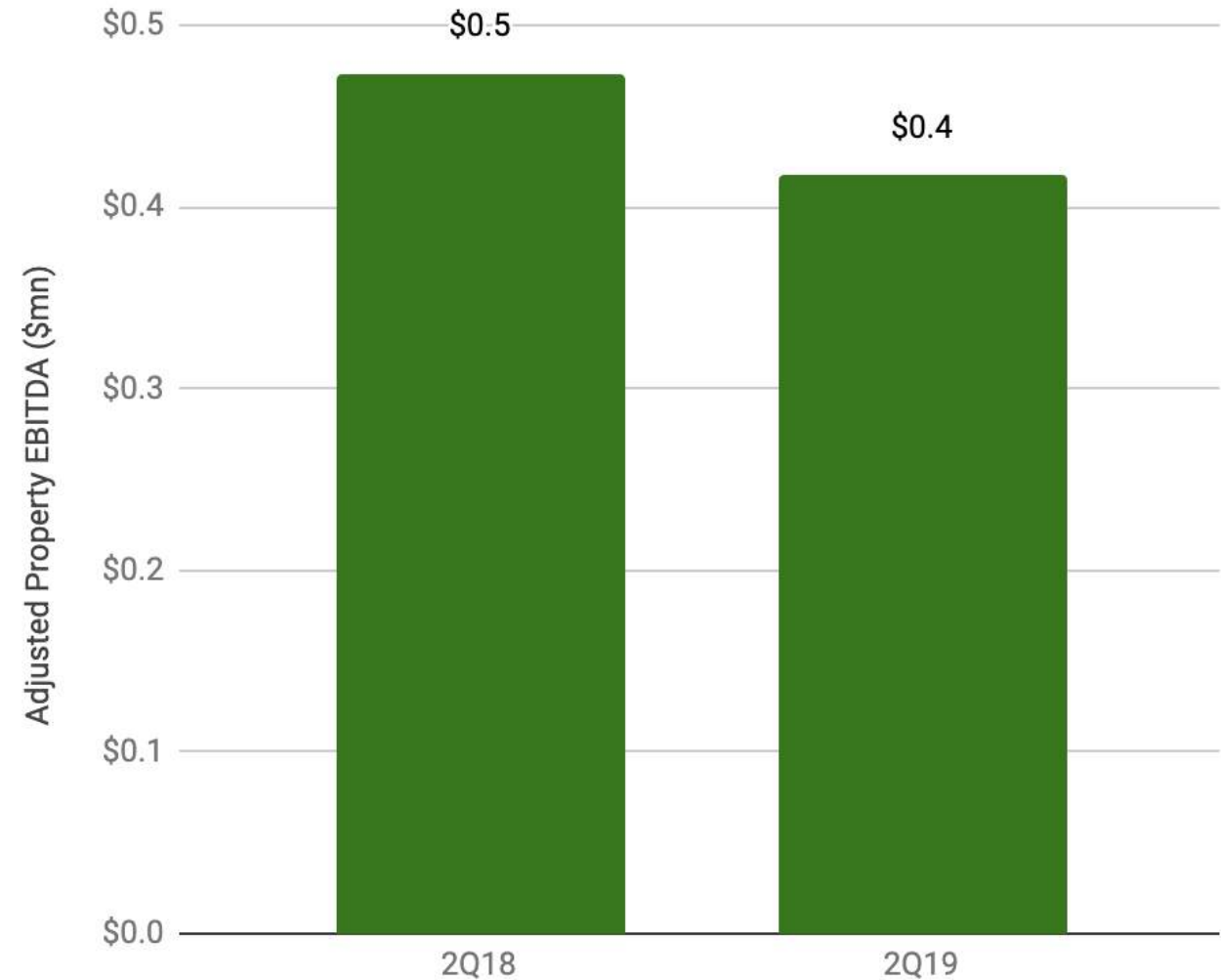


# Stockman's: Improved Arrival and New Porte Cochere

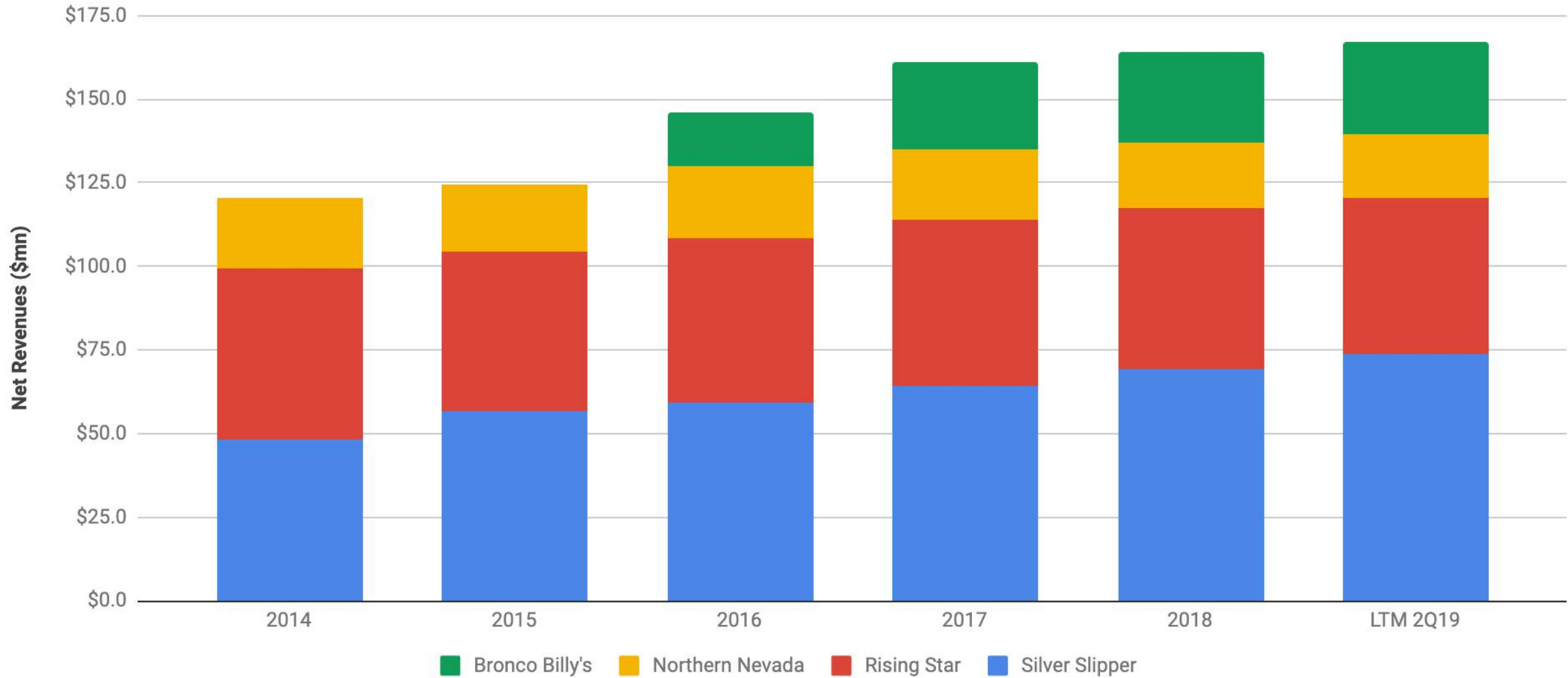
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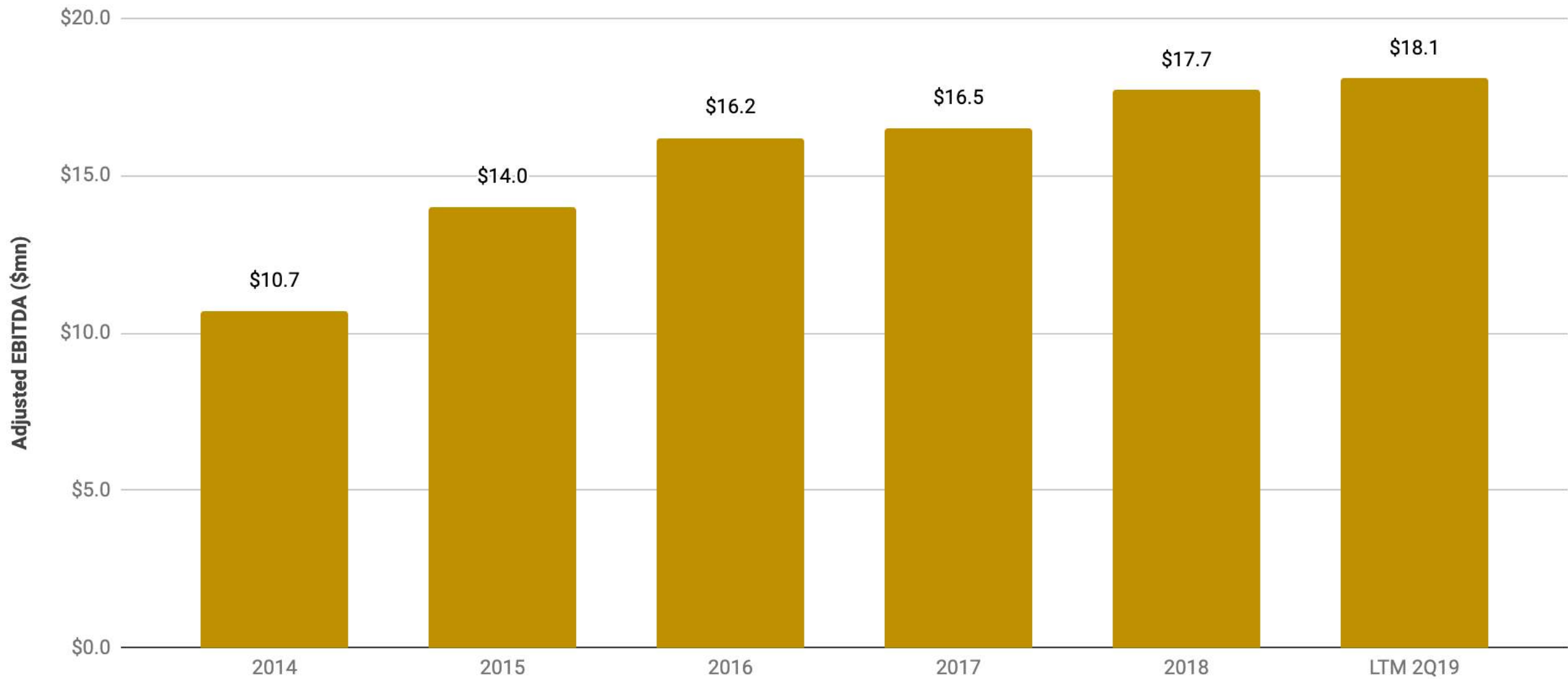
- Reflects delayed return of locals due to lingering snow



# Net Revenue: +37% Since 2014



# Adjusted EBITDA: +69% Since 2014



- On August 5, 2019, we responded to the City of Waukegan's "Request for Qualifications and Proposals" to select a preferred operator per recent legislation expanding gaming in Illinois
- Waukegan is located approximately 35 miles north of downtown Chicago
- Our American Place proposal is for a new casino and resort destination in a high-traffic area and includes 1,500 slot machines, 60 table games, and a very high-end boutique hotel
- Project partners include:

**CANNONDESIGN**

**WET**

 **Loop Capital**

- For additional information, please visit [www.americanplace.us](http://www.americanplace.us)

# Casino Proposal: American Place in Waukegan, Illinois



# Casino Proposal: American Place in Waukegan, Illinois



- Sixth Racetrack Casino License in New Mexico

- In 2018, the New Mexico Racing Commission announced a competitive process regarding the issuance of the state's sixth and final racetrack casino license
- In 4Q18, we formally presented our racetrack casino proposal -- La Posada del Llano, located in Clovis -- to the New Mexico Racing Commission
- The New Mexico Racing Commission requested an independent study that was publicly released
  - The study concluded that our proposal was superior to the four other proposals in most respects
- In 1Q19, newly-elected Governor Lujan Grisham replaced the members of the New Mexico Racing Commission
- In August 2019, the new Racing Commission announced that it was not going to issue the sixth racetrack casino license at this time, but may do so in the future

- Acquisitions

## Reconciliation of Operating Income (Loss) to Adjusted Property EBITDA and Adjusted EBITDA (In Thousands, Unaudited)

### Three Months Ended June 30, 2019

	Operating Income (Loss)	Depreciation and Amortization	Gain on Sale of Assets	Project Development and Acquisition Costs	Share-Based Compensation	Adjusted Property EBITDA and Adjusted EBITDA
<b>Casino properties</b>						
Silver Slipper Casino and Hotel	\$ 2,725	\$ 869	\$ —	\$ —	\$ —	\$ 3,594
Rising Star Casino Resort	11	593	—	—	—	604
Bronco Billy's Casino and Hotel	446	434	(4)	—	—	876
Northern Nevada Casinos	268	149	—	—	—	417
	3,450	2,045	(4)	—	—	5,491
<b>Other operations</b>						
Corporate	(1,527)	38	—	142	107	(1,240)
	\$ 1,923	\$ 2,083	\$ (4)	\$ 142	\$ 107	\$ 4,251

## Reconciliation of Operating Income (Loss) to Adjusted Property EBITDA and Adjusted EBITDA (In Thousands, Unaudited)

Three Months Ended June 30, 2018

	Operating Income (Loss)	Depreciation and Amortization	Loss on Disposal of Assets	Project Development and Acquisition Costs	Share-Based Compensation	Adjusted Property EBITDA and Adjusted EBITDA
<b>Casino properties</b>						
Silver Slipper Casino and Hotel	\$ 2,372	\$ 811	\$ —	\$ —	\$ —	\$ 3,183
Rising Star Casino Resort	172	603	1	—	—	776
Bronco Billy's Casino and Hotel	811	377	68	—	—	1,256
Northern Nevada Casinos	265	208	—	—	—	473
	3,620	1,999	69	—	—	5,688
<b>Other operations</b>						
Corporate	(1,617)	39	—	130	175	(1,273)
	\$ 2,003	\$ 2,038	\$ 69	\$ 130	\$ 175	\$ 4,415

## Reconciliation of Net Income (Loss) and Operating Income (Loss) to Adjusted EBITDA

<i>(In thousands)</i>	Three Months Ended June 30,	
	2019	2018
<b>Net loss</b>	\$ (1,010)	\$ (661)
Provision for income taxes	143	118
Interest expense, net of amounts capitalized	2,931	2,466
Loss on extinguishment of debt	—	—
Adjustment to fair value of warrants	(141)	80
<b>Operating income</b>	1,923	2,003
Project development and acquisition costs	142	130
Depreciation and amortization	2,083	2,038
(Gain) loss on sale or disposal of assets, net	(4)	69
Stock-based compensation	107	175
<b>Adjusted EBITDA</b>	<u>\$ 4,251</u>	<u>\$ 4,415</u>

# GAAP Reconciliation

## Reconciliation of Net Income (Loss) and Operating Income (Loss) to Adjusted EBITDA

<i>(Dollars in Thousands)</i>	2014	2015	2016	2017	2018	1H18	1H19	LTM 2Q19
<b>Net income (loss)</b>	-20,845	-1,317	-5,094	-5,028	-4,371	-4,947	-2,627	-2,051
Provision (benefit) for income taxes	-988	-342	630	-150	476	237	285	524
Interest expense, net of amounts capitalized	6,272	6,715	9,486	10,856	10,306	5,006	5,634	10,934
Settlement loss and other	1,723	-12	--	--	13	--	--	13
Adjustment to fair value of warrants	--	--	543	1,379	-1,671	-423	-101	-1,349
Loss on extinguishment of debt	--	--	--	--	2,673	2,673	--	--
Debt modification costs	--	--	624	--	--	--	--	--
<b>Operating income (loss)</b>	-13,838	5,044	6,189	7,057	7,426	2,546	3,191	8,071
Project development and acquisition costs	296	891	1,314	284	843	167	275	951
Depreciation and amortization	9,183	7,893	7,928	8,602	8,397	4206	4174	8,365
Preopening costs	--	156	--	--	274	--	--	274
Impairments	11,547	--	--	--	--	--	--	--
Board and executive transition costs	2,741	--	--	--	--	--	--	--
Writeoffs/recoveries/asset disposals, net	524	-363	344	-1	79	79	-5	-5
Share-based compensation	248	343	409	525	632	407	193	418
<b>Adjusted EBITDA</b>	10,701	13,964	16,184	16,467	17,651	7,405	7,828	18,074